

MISSISSIPPI DIVISION OF MEDICAID

Eligibility Policy and Procedures Manual

200.07.09J VA CONTRACT PATIENTS IN NURSING FACILITIES

Certain veterans qualify for VA contract payments which cover nursing home care for one to six months. The contract period begins with the date of the nursing home placement and covers the date of admission, but not the date the contract expires. For example, if a veteran is placed in a nursing facility under VA contract effective January 12, the contract will expire July 15 and VA will not reimburse the facility for the day of July 15.

It is possible for a service-connected veteran to be under VA contract in a nursing facility for an indefinite length of time. These individuals are not subject to the six-month limit for a VA contract as are nonservice-connected veterans.

Eligibility for Medicaid benefits other than nursing home reimbursement can begin prior to the date a VA contract expires, depending on the date the application is filed and provided the individual is eligible on all other factors. Reimbursement cannot begin until the date the VA contract expires.

Do not count VA money paid to the nursing home as income to the Medicaid applicant. Although a VA contract payment is a third party medical payment, it is not a payment subject to recovery by Medicaid.

The veteran's ongoing VA benefits may be reduced during the VA contract period and returned to the full amount following expiration of the contract. When verifying VA income for eligibility purposes during a VA contract period, determine if reduced benefits are involved and determine when full benefits will resume. Benefits are usually raised in the month following the month the contract ends.